

# Mitra Adiperkasa Tbk (MAPI IJ)

Cerdik Siasati Momentum, Berujung Untung

Industri Ritel masih menghadapi tantangan besar, tetapi MAPI mencatatkan kinerja memuaskan pada 2Q19. Penopang kinerja MAPI adalah pertumbuhan moderat SSSG, aktif ekspansi, dan memanfaatkan momentum Idulfitri. Kami memproyeksikan MAPI dapat mencapai target pertumbuhan pendapatan dan laba bersih FY19 dengan mengakselerasi pertumbuhan organik (SSSG).

## Kinerja IH19 Cukup Memuaskan

MAPI mampu membukukan pendapatan dua digit pada IH19. Pendapatan meningkat 10,2% y-y menjadi Rp10 triliun, ditopang oleh momentum Idulfitri dan SSSG di moderat level 3% (vs. target SSSG FY19 7%). Kami memproyeksikan target SSSG 7% dan ekspansi gerai dengan total luas 30.000m2 akan tercapai pada IH19 ditopang musim akademik semester, perayaan Natal & tahun baru. EBIT dan laba bersih meningkat masing-masing 34,3%y-y dan 50,6%y-y menjadi Rp969 miliar dan Rp605 miliar. Segmen specialty stores masih memberikan kontribusi pendapatan terbesar, yaitu mencapai 84% bagi EBIT, dan kontributor terbesar kedua bagi EBIT adalah segmen department store dengan pendapatan 11%. Berdasarkan kinerja 2Q19, kami optimis MAPI dapat mencapai target pertumbuhan pendapatan dan laba bersih masing-masing sebesar 15% pada FY19.

## Segmental Highlights

Specialty stores dan food & beverage pada IH19 membukukan pertumbuhan SSSG terkuat, yaitu 4%, sedangkan segmen department store hanya membukukan pertumbuhan 1%. Kondisi bisnis department store yang lesu mendorong MAPI untuk lebih mengoptimalkan specialty stores. Berdasarkan *breakdown* letak geografis, Indonesia merupakan kontributor utama dengan pertumbuhan pendapatan mencapai 11% y-y, lalu disusul oleh Vietnam dan Thailand, masing-masing sebesar -2% y-y and 18% y-y. MAPI melalui anak usahanya, "MAPA", berencana untuk memperkuat pangsa pasarnya di Vietnam dengan membukai gerai olahraga.

## Kinerja MAP Active Mengagumkan

MAPA mencatatkan kinerja impresif pada IH19. Top line MAPA meningkat 19,41% y-y menjadi Rp3,4 triliun dan pertumbuhan SSSG mencapai 9% melampaui guideline FY19 di kisaran 8%-10%. *Bottom Line* meningkat signifikan mencapai Rp365 miliar dari Rp32 miliar pada IH18 karena maraknya tren gaya hidup sehat aktif.

## Rekomendasi Buy dengan Target Harga Rp1.200

Kami mempertahankan rekomendasi BUY dengan target harga Rp1.200 berdasarkan estimasi valuasi P/E forward sebesar 19,7x dengan potensi upside imbal hasil 21,2% dari harga saham saat ini. Risiko target harga meliputi perlambatan pertumbuhan SSSG; depresiasi nilai tukar rupiah; peningkatan signifikan laju inflasi.

## Mitra Adiperkasa Tbk | Summary (IDR bn)

	2018	2019E	2020F	2021F
Revenue	18,921	20,252	21,113	21,957
<i>Revenue growth</i>	16.0%	7.0%	4.2%	4.0%
EBITDA	2,270	2,485	2,554	2,740
Net Profit	736	919	1,219	1,453
EPS (IDR)	44	55	73	88
<i>EPS growth</i>	119.9%	24.8%	32.7%	19.2%
BVPS (IDR)	365	417	476	549
EBITDA margin	12.0%	12.3%	12.1%	12.5%
NPM	3.9%	4.5%	5.8%	6.6%
ROE	14.3%	14.1%	16.4%	17.1%
ROA	6.1%	7.0%	8.5%	9.4%
ROIC	13.3%	14.5%	13.7%	14.4%
P/E	18.2x	17.9x	13.5x	11.3x
P/BV	2.2x	2.4x	2.1x	1.8x
EV/EBITDA	4.5x	5.1x	4.9x	4.6x
DPS (IDR)	16	24	22	25
<i>Dividend yield</i>	2.0%	2.4%	2.2%	2.5%

Source: Company Data, Bloomberg, NHKS Research

Please consider the rating criteria & important disclaimer

NH Korindo Sekuritas Indonesia



Company Report | Aug 19, 2019

# Buy

<b>Dec 2019 TP (IDR)</b>	<b>1,200</b>
Consensus Price (IDR)	1,118
TP to Consensus Price	+7.4%
vs. Last Price	+21.2%

## Shares data

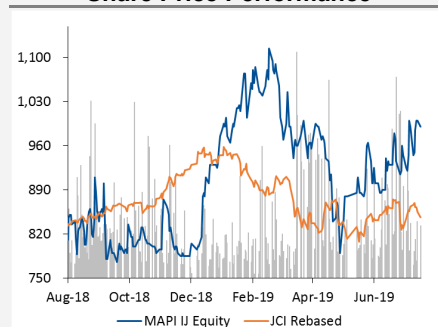
Last Price (IDR)	990
Price date as of	Aug 16, 2019
52 wk range (Hi/Lo)	1,085 / 765
Free float (%)	49.0
Outstanding sh.(mn)	16,600
Market Cap (IDR bn)	16,766
Market Cap (USD mn)	1,180
Avg. Trd Vol - 3M (mn)	13.70
Avg. Trd Val - 3M (bn)	12.6
Foreign Ownership	20.5%

## Trade, Services & Investment

### Retail

Bloomberg	MAPI IJ
Reuters	MAPI.IK

## Share Price Performance



	YTD	1M	3M	12M
Abs. Ret.	24.5%	6.5%	5.9%	17.9%
Rel. Ret.	19.0%	9.5%	9.4%	11.1%

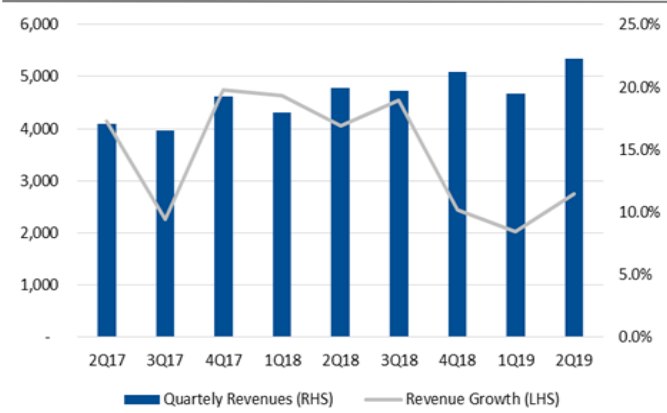
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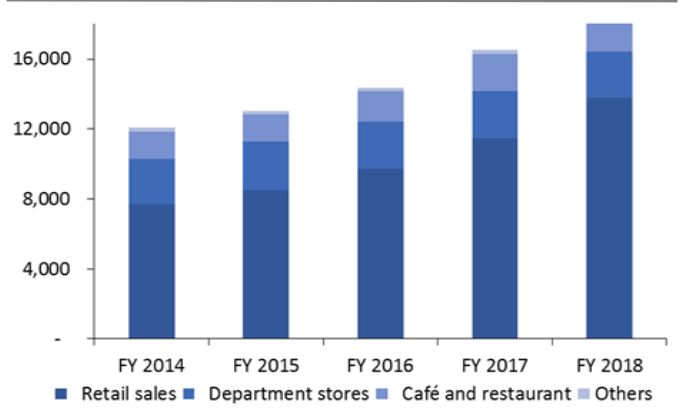
## Performance Highlights

**MAPI Quarterly Net Revenues | 2Q17 - 3Q18**



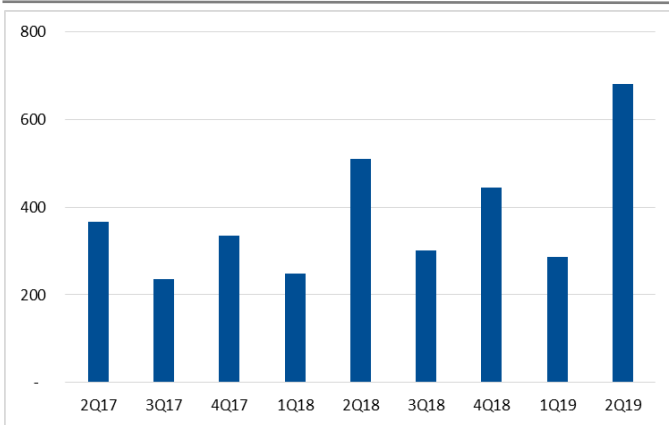
Source: Company, NHKS Research

**MAPI Revenue Contribution | FY14 - FY18**



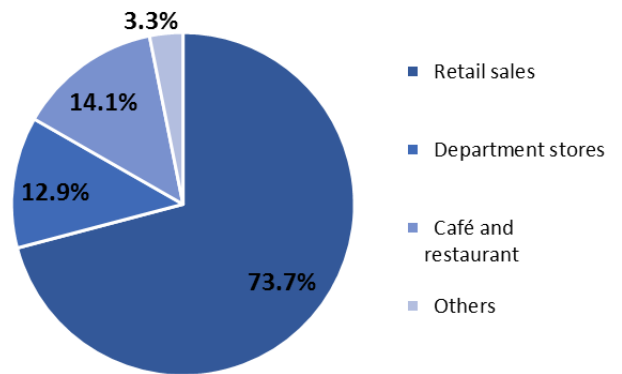
Source: Company, NHKS Research

**EBIT | 2Q17 - 2Q19**



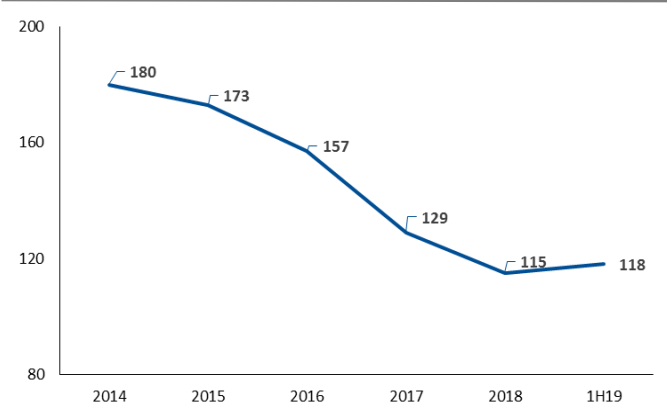
Source: Company, NHKS Research

**Revenue Breakdown | 2Q19**



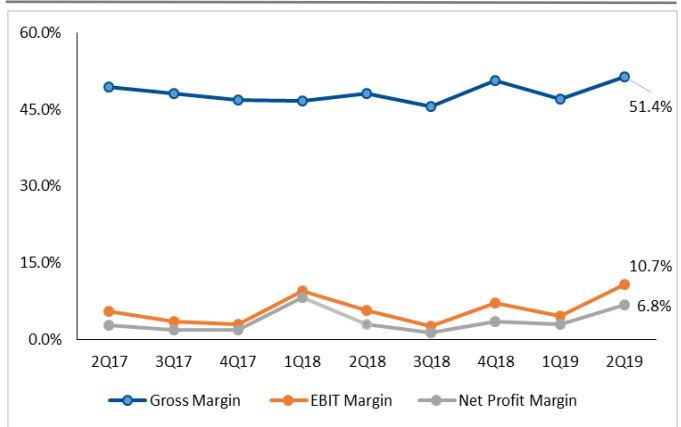
Source: Company, NHKS Research

**MAPI Inventory Days | 1H19**



Source: Company, NHKS Research

**Margin Ratios | 2Q17 - 2Q19**



Source: Company, NHKS Research

## 2Q19 review (IDR bn)

	2Q18	3Q18	4Q18	1Q19	2Q19					3Q19E
					Actual	Estimate	y-y	q-q	surprise	
Revenue	4,789	4,722	5,093	4,680	5,336	5,253	11.4%	14.0%	1.6%	4,577
Gross Profit	2,302	2,154	2,579	2,197	2,741	1,354	19.1%	24.8%	102.5%	2,714
<i>Gross Margin</i>	48.1%	45.6%	50.6%	46.9%	51.4%	25.8%	3.3%	4.4%	25.6%	59.3%
EBIT	511	302	444	287	683	478	33.6%	137.9%	42.8%	385
<i>EBIT Margin</i>	10.7%	6.4%	8.7%	6.1%	12.8%	9.1%	2.1%	6.7%	3.7%	8.4%
EBITDA	703	496	637	488	886	756	25.9%	81.4%	17.1%	525
<i>EBITDA Margin</i>	14.7%	10.5%	12.5%	10.4%	16.6%	14.4%	1.9%	6.2%	2.2%	11.5%
<b>Net Profit</b>	<b>140</b>	<b>67</b>	<b>178</b>	<b>138</b>	<b>361</b>	<b>420</b>	<b>158.4%</b>	<b>161.1%</b>	<b>-14.0%</b>	<b>191</b>
<i>Net Margin</i>	2.9%	1.4%	3.5%	3.0%	6.8%	8.0%	3.8%	3.8%	-1.2%	4.2%

Source: Bloomberg, NHKS research

## Earnings revision (IDR bn)

		2018A	2019E	2020F
Revenue	-Revised	18,921	20,252	21,113
	-Previous	18,974	21,303	22,155
	-Change	-0.3%	-4.9%	-4.7%
Gross Profit	-Revised	9,052	9,798	10,328
	-Previous	8,879	10,116	10,674
	-Change	1.9%	-3.1%	-3.2%
Gross Margin	-Revised	47.8%	48.4%	48.9%
	-Previous	46.8%	47.5%	48.2%
EBIT	-Revised	1,506	1,679	1,850
	-Previous	1,633	1,981	2,108
	-Change	-7.8%	-15.2%	-12.3%
EBIT Margin	-Revised	8.0%	8.3%	8.8%
	-Previous	8.6%	9.3%	9.5%
EBITDA	-Revised	2,270	2,485	2,554
	-Previous	2,412	2,832	3,052
	-Change	-5.9%	-12.2%	-16.3%
EBITDA Margin	-Revised	12.0%	12.3%	12.1%
	-Previous	12.7%	13.3%	13.8%
<b>Net Profit</b>	-Revised	<b>736</b>	<b>919</b>	<b>1,219</b>
	-Previous	863	958	1,234
	-Change	-14.7%	-4.1%	-1.2%
Net Margin	-Revised	3.9%	4.5%	5.8%
	-Previous	4.5%	4.5%	5.6%

Source: NHKS research

## Sekilas tentang MAPI

MAPI merupakan salah satu perusahaan ritel di Indonesia dengan portfolio brand terbanyak, lebih dari 154 merek global. MAPI didirikan pada tahun 1995 dengan berfokus pada produk alat olahraga. Kini, MAPI telah berkembang pesat dengan lini usaha di produk olahraga, fashion, department stores, makanan & minuman, produk anak-anak dan gaya hidup, dengan target konsumen menengah-atas.

Selain di Indonesia, MAPI juga beroperasi di berbagai negara tetangga, seperti Singapura, Malaysia, Thailand, Australia dan lainnya. Pada 2016, MAPI juga melebarkan sayapnya ke Vietnam melalui pembukaan gerai Zara pertama. Di Indonesia sendiri, terdapat lebih dari 2.300 gerai ritel MAPI yang tersebar di 71 kota besar.

### Industri Ritel Indonesia di ASEAN

Indonesia merupakan negara dengan jumlah penduduk terbesar di ASEAN. Hal ini menjadikan Indonesia sebagai tempat yang menguntungkan bagi bisnis ritel. Pasar ritel Indonesia dikuasai oleh LPPF, RALS, MAPI dengan gerai yang tersebar di seluruh Indonesia. Pada 2019, Aprindo menargetkan pertumbuhan bisnis ritel mencapai 10%. Kebijakan pemerintah yang mengunci tarif listrik dan harga BBM bisa menjadi katalis positif yang memacu pulihnya daya beli masyarakat hingga 2020.

#### ASEAN Retailers

Company	Market Cap (USD mn)	Asset (USD mn)	Sales Growth	Gross Margin	Operating-Margin	ROE LTM	P/E LTM	P/BV LTM	Dividend Yield
<b>Indonesia</b>									
LPPF	640	349	2.21%	62.3%	15.3%	45.2%	10.1x	5.0x	10.3%
RALS	648	363	2.08%	44%	10.4%	17.7%	12.7x	2.1x	3.8%
MAPI	1,171	876	16.04%	48%	8.0%	14.5%	22.5x	2.9x	1.0%
<b>Singapore</b>									
Metro Holdings	578	1,405	26.14%	6%	7.0%	5.7%	9.3x	0.5x	4.7%
<b>Malaysia</b>									
Parkson Holdings Bhd	52	2,219	0.45%	N/A	0%	-6.9%	N/A	0.1x	N/A
<b>Thailand</b>									
Robinson PCL	2,256	878	17.54%	34%	10%	15.9%	25.7x	3.9x	2.2%
<b>Philippines</b>									
SM Investments Corp	23.607	20,251	13.47%	39%	16%	12.0%	29.4x	3.3x	0.9x

Source: Bloomberg, NHKS research

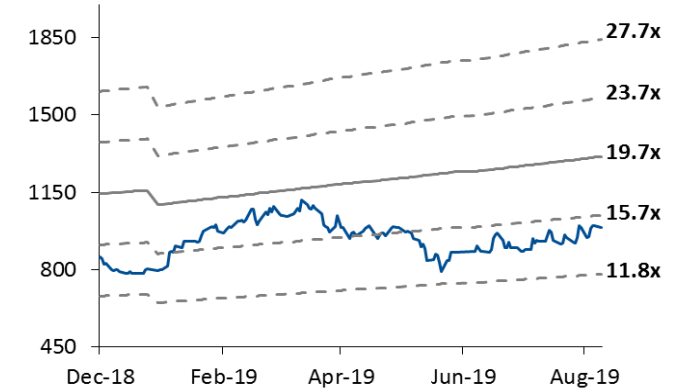
## Multiple Valuation

Forward P/E band | Last 2 years



Source: NHKS Research

Dynamic Forward P/E band | Last 2 years



Source: NHKS Research

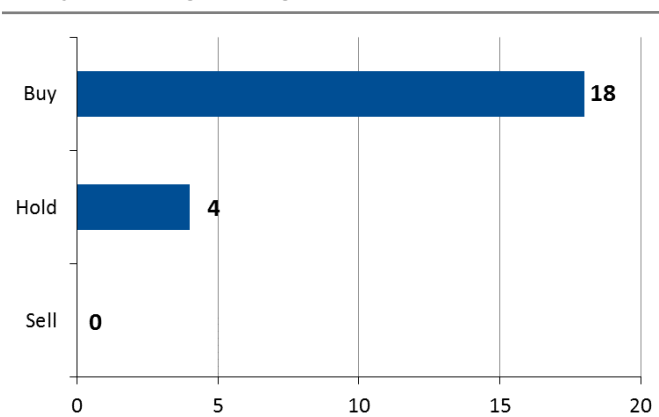
## Rating and Target Price Update

Target Price Revision

Date	Rating	Target Price	Last Price	Consensus	vs Last Price	vs Consensus
4/9/2018	Buy	945	790	866	19.6%	9.1%
7/19/2018	Buy	945	800	818	18.1%	15.5%
9/4/2018	Buy	945	815	1,011	16.0%	-6.5%
8/12/2010	Buy	1,200	1,685	1,118	21.2%	7.3%

Source: NHKS research, Bloomberg

Analyst Coverage Rating



Source: Bloomberg

Closing and Target Price



Source: NHKS research

### NH Korindo Sekuritas Indonesia (NHKS) stock ratings

1. Period: End of year target price
2. Rating system based on a stock's absolute return from the date of publication
  - Buy : Greater than +15%
  - Hold : -15% to +15%
  - Sell : Less than -15%

## Summary of Financials

INCOME STATEMENT				
(IDR bn)	2018/12A	2019/12E	2020/12E	2021/12E
<b>Sales</b>	<b>18,921</b>	<b>20,252</b>	<b>21,113</b>	<b>21,957</b>
<i>Growth</i>	16.0%	7.0%	4.2%	4.0%
Cost of Good Sold	(9,869)	(10,455)	(10,785)	(11,098)
<b>Gross Profit</b>	<b>9,052</b>	<b>9,798</b>	<b>10,328</b>	<b>10,859</b>
<i>Gross Margin</i>	47.8%	48.4%	48.9%	49.5%
Operating Expenses	(7,546)	(8,118)	(8,478)	(8,787)
<b>EBIT</b>	<b>1,506</b>	<b>1,679</b>	<b>1,850</b>	<b>2,072</b>
<i>EBIT Margin</i>	8.0%	8.3%	8.8%	9.4%
Depreciation	764	806	705	667
<b>EBITDA</b>	<b>2,270</b>	<b>2,485</b>	<b>2,554</b>	<b>2,740</b>
<i>EBITDA Margin</i>	12.0%	12.3%	12.1%	12.5%
Interest Expenses	(536)	(214)	(247)	(264)
<b>EBT</b>	<b>1,174</b>	<b>1,377</b>	<b>1,596</b>	<b>1,853</b>
Income Tax	(360)	(332)	(437)	(477)
Minority Interest	(78)	(126)	60	78
<b>Net Profit</b>	<b>736</b>	<b>919</b>	<b>1,219</b>	<b>1,453</b>
<i>Growth</i>	119.8%	24.8%	32.7%	19.2%
<i>Net Profit Margin</i>	3.9%	4.5%	5.8%	6.6%

PROFITABILITY & STABILITY				
	2018/12A	2019/12E	2020/12E	2021/12E
ROE	14.3%	14.1%	16.4%	17.1%
ROA	6.1%	7.0%	8.5%	9.4%
ROIC	13.3%	14.5%	13.7%	14.4%
Cash Dividend (IDR bn)	269	399	366	417
Dividend Yield	2.0%	2.4%	2.2%	2.5%
Payout Ratio	36.5%	43.5%	30.0%	28.7%
DER	29.1%	26.5%	24.0%	17.5%
Net Gearing	50.6%	46.6%	48.2%	40.5%
LT Debt to Equity	6.9%	5.6%	5.0%	3.7%
Capitalization Ratio	22.5%	21.0%	19.4%	14.9%
Equity Ratio	48.0%	50.4%	52.7%	57.4%
Debt Ratio	14.0%	13.4%	12.7%	10.0%
Financial Leverage	233.5%	203.1%	193.8%	181.4%
Current Ratio	135.0%	153.3%	159.8%	181.7%
Par Value (IDR)	500	500	500	500
Total Shares (mn)	16,600	16,600	16,600	16,600
Share Price (IDR)	805	990	990	990
Market Cap (IDR tn)	13.4	16.4	16.4	16.4

BALANCE SHEET				
(IDR bn)	2018/12A	2019/12E	2020/12E	2021/12E
Cash	1,412	1,850	2,089	2,206
Receivables	389	374	358	350
Inventories	3,231	3,360	3,480	3,699
<b>Total Current Assets</b>	<b>7,313</b>	<b>8,774</b>	<b>9,571</b>	<b>10,354</b>
Net Fixed Assets	3,471	3,424	3,681	3,610
Other Non Current Asset	856	720	751	720
<b>Total Assets</b>	<b>12,633</b>	<b>13,754</b>	<b>14,995</b>	<b>15,899</b>
Payables	1,341	1,504	1,523	1,748
ST Bank Loan	1,348	1,453	1,500	1,260
LT Debt	417	385	398	334
<b>Total Liabilities</b>	<b>6,570</b>	<b>6,825</b>	<b>7,087</b>	<b>6,780</b>
Capital Stock	830	830	830	830
Retained Earnings	2,869	3,755	4,756	5,951
<b>Shareholders' Equity</b>	<b>6,062</b>	<b>6,929</b>	<b>7,908</b>	<b>9,119</b>

VALUATION INDEX				
	2018/12A	2019/12E	2020/12E	2021/12E
Price /Earnings	18.2x	17.9x	13.5x	11.3x
Price /Book Value	2.2x	2.4x	2.1x	1.8x
Price/Revenue	0.7x	0.8x	0.8x	0.7x
PE/EPS Growth	0.2x	0.7x	0.4x	0.6x
EV/EBITDA	4.5x	5.1x	4.9x	4.6x
EV/EBIT	6.8x	7.6x	6.7x	6.1x
EV (IDR bn)	10,186	12,747	12,447	12,634
Revenue CAGR (3-Yr)	13.8%	12.7%	9.0%	5.1%
EPS CAGR (3-Yr)	170.1%	63.9%	53.9%	25.5%
Basic EPS (IDR)	44	55	73	88
Diluted EPS (IDR)	44	55	73	88
BVPS (IDR)	365.19	417	476	549
Revenue PS (IDR)	1,140	1,220	1,272	1,323
DPS (IDR)	16.2	24.1	22.1	25.1

CASH FLOW STATEMENT				
(IDR bn)	2018/12A	2019/12E	2020/12E	2021/12E
Operating Cash Flow	1,584	900	1,583	1,407
Investing Cash Flow	(1,051)	(641)	(1,160)	(742)
Financing Cash Flow	(397)	(114)	(184)	(547)
<b>Net Changes in Cash</b>	<b>136</b>	<b>145</b>	<b>239</b>	<b>118</b>

OWNERSHIP		
By Geography	% Shareholders	%
Indonesia	79.5 Satya Mulia Gema	51.0
United States	10.0 Schroder Investment	4.7
Norway	4.0 Norges Bank	3.0
Luxembourg	3.8 FIL Ltd	1.8

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